

# “Cancel Culture” in banking denying loans, purchases and investment opportunities

*by Karen Murphy | Mar 9, 2021*

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Many of those concerned about Big Tech silencing free speech in America see another potential threat looming — social justice banking. Florida CFO **Jimmy Patronis** is one of those people. Yesterday, Patronis issued a letter to Office of Financial Regulation (OFR) Commissioner **Russell Weigel** after reading reports of banks nationally opting to withhold financing and services from businesses deemed unacceptable by what Patronis called “the growing ‘cancel culture’ movement.” The CFO’s letter encouraged the Office to analyze whether a Florida-chartered bank that exhibits political discrimination toward a specific industry group is engaged in an “unsound banking practice” that merits issuance of a cease-and-desist order.

Patronis wrote to Weigel, “In recent months, large financial institutions, have refused to extend financing and other services to entities such as firearm manufacturers, energy companies and others deemed ‘too conservative’ or otherwise not aligned with the ‘woke left’ vision of society. In short, ‘cancel culture’ has reached our financial markets and the result—arbitrary selection of winners and losers—is bad news for our capitalist system.”

Nationally, banks are increasingly using social justice as criteria for approving credit and investment strategies.

Large banks, like Goldman Sachs, Citibank, Bank of America, and JP Morgan Chase are passing on investment opportunities with legal businesses like gun manufacturers, fossil fuel companies and even, private prisons based solely on what the bank deems as moral, not whether it’s a sound investment or not – a practice some call discriminatory.

According to the [Wall Street Journal](#), Goldman Sachs pledged at the end of 2019 to stop financing projects that directly support coal mining and Arctic oil exploration. Bank of America, according to [Fox News](#), stopped lending money “to gun manufacturers that make military-style” weapons. According to [Bloomberg](#), it has also stopped doing business with private prisons.

But social-justice banking doesn't stop with large corporations. Everyday consumers are having their purchases literally "cancelled" at the cash register.

Electronic payment conglomerates, including PayPal, Square, and Apple Pay, have banned firearms sales and transactions through their systems. Customers trying to legally purchase firearms have had their purchase declined by PayPal, Discover and others in mid-purchase. "If you're going to have a consistent set of values that you stand up for, they have to be reflected in your acceptable use policy," PayPal CEO **Dan Schulman** told the *New York Times*. "Companies, and by extension, their management teams and their CEO's have a moral obligation to try to be a force for good."

"Financial activism by banks is by far one of the largest emerging threats against Second Amendment rights," **Philip Watson**, founder of Washington Public Relations and a Second Amendment advocate, told *Fox News*. "The federal government allows the financial industry to receive vast amounts of federal funds; however, those exact same funds free up their balance sheets enough to discriminate and play politics."

In early January, just before the Trump administration left office, the federal Office of the Comptroller of the Currency (OCC) finalized a controversial rule banning large banks from rejecting businesses based on their industry and made it illegal to reject a customer for reasons other than financial risk

Democrats and banking lobbyists cried foul over the last-minute rule and vowed to kill it. In a story in *The Hill*, **Greg Baer**, president and CEO of the Bank Policy Institute, a research and advocacy group for big U.S. banks said, "The rule lacks both logic and legal basis, it ignores basic facts about how banking works, and it will undermine the safety and soundness of the banks to which it applies."

The rule is designed to go into effect April 1, however, Biden's new acting comptroller will most likely delay it until the Biden Administration OCC can get rid of it all together. Patronis' letter does not reflect the desire for a new rule from the Florida OFR. Instead, Patronis asked Weigel "to analyze whether a Florida-chartered bank that exhibits political discrimination toward a specific industry group is engaged in an 'unsound banking practice' that merits issuance of a cease-and-desist order, as provided under Section 655.033, Florida Statutes."